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CURRENT POLICY AND RESPONSIBILITIES OF THE WELFARE ASSISTANCE BOARD

The policy of the CIA Welfare Assistance Board, as stated in its bylaws, is as follows:

Welfare funds shall be made available to render CIA employees emergency assistance for welfare, health, safety and for recreation from a financial and/or material standpoint. Whatever means are deemed appropriate shall be utilized to promote the general welfare of CIA employees.

The responsibilities of the Board are described in the bylaws as follows:

In fulfilling its responsibilities, either delegated or assumed, the Board shall be fully responsible for the collection, receipt, custody, and expenditure of such funds as may be contributed, donated, or otherwise accrued for use in promoting the general welfare of the employees of this Agency.

We mentioned, in outlining the history of welfare and recreational activities, that the scope of the Board's function had purposely been defined to include support of recreational activities. We also described the abandonment of the PRA organization as an active body. We submit to the Board now the proposal that it take official cognizance of the fictional nature of the PRA and allocate funds for recreational purposes directly to the Recreation Officer.

The auditor has pointed out that the PRA has failed to comply with its own constitution in the following respects:

1. The Association is not incorporated.
2. Officers are not elected annually.
3. An Auditing Committee has not been appointed.

In view of its present status, it seems uneconomical and inefficient to incorporate and administer the PRA machinery initially contemplated. While we appreciate that the Board does not have the technical authority to abolish PRA, we believe that we can suggest that you adopt the position of its last officers and ignore its creation. We propose that this be accomplished by requesting the PRA Treasurer to return to the Board any funds on hand which were allocated by the Board—this would have the effect of exhausting PRA's fund, the last

unobligated

visible means of its existence. The Board would continue its support of recreational activities by direct allocation to the CIA Recreation Officer with disbursements made to him by the Executive Secretary of the Board in accordance with a previously approved budget. The Director of Personnel, in his capacity as such and as Chairman of the Board would provide continuing supervision of the Recreation Officer's operations.

While we recognise that it will create opportunities for confusion in the record, we believe that the advantages of continuing to use Potomac Recreation Association as a cover title outweigh any problems which might result for the historian. We do therefore propose to retain that title with the clear understanding that there is, in fact, no such organisation.

The following resolution is proposed to accomplish this proposal:

RESOLVED that the Executive Secretary is empowered to disburse funds upon request /to the CIA Recreation Officer within the limits of availability of funds and of the recreation budget approved by the Board.

FURTHER RESOLVED that the Chairman of the Board will provide continuing supervision to the CIA Recreation Officer in his use of funds so disbursed.

*RECORDED, APPROVED AND SIGNED  
Chairman, CIA Board of Directors*

BRIEF HISTORY OF CIA WELFARE ASSISTANCE AND RECREATION PROGRAM

CIA has actively administered an emergency assistance program since 1947 when the sum of \$500 was borrowed from General Services Incorporated to establish an assistance fund. This loan was repaid to GSI in 1948 and GSI began donating 10% of the net operating profits from the Q Building cafeteria to support the fund. In later years, these donations were increased and are now based by GSI on a pro-rated return to all agencies in which they operate cafeterias.

Independent of the welfare program, interested employees and officials undertook a review of Agency recreational programs in 1951 and, as a result, the Potomac Recreation Association was formed in 1952. Members of the PRA paid dues of \$1.00 and it was planned that recreational activities would be supported by participating members. Soon thereafter, the CIA Employee Welfare Fund was established and the functions of its predecessor restated so as to encompass welfare, health, safety and recreational activities generally. This change enabled the Welfare Fund to allocate funds for recreational purposes which is one of the principal purposes for which these funds are intended under the GSE agreement. The Fund was established at this time as the overall welfare organization of the Agency with the additional purpose of contributing as liberally as possible to the recently created PRA in support of its activities.

Later, in 1953, the Director of Central Intelligence established the CIA Welfare Board, which was reconstituted in April 1955 as the CIA Welfare Assistance Board under which the present welfare assistance program now operates. Recreational activities have continued to receive substantial support from the welfare fund throughout this period.

Various difficulties in conducting the activities of the PRA prompted its President to recommend in April 1954 that the Director of Personnel be assigned responsibility for developing and implementing a recreation and welfare program

for Agency employees, including the activities then supervised by PRA. This responsibility was accepted but it was decided to retain PRA as an institution for use as cover in making extra-Agency contacts. It was decided, both for practical reasons and because the General Counsel ~~minister~~ advised that it was desirable to do so from a legal point of view, that all Agency employees were to become members of PRA by virtue of their Agency employment; at the same time, \$1.00 membership fees were discontinued.

In June 1955, two new officers were appointed to replace PRA officers whose terms of office had expired. One of these was the Recreation Officer serving on the staff of the Director of Personnel. Since that time, the terms of all officers have expired and PRA officials have taken no action to elect new officers. For more than three years, only two officers of the defunct PRA have been actively engaged in the recreation program: the PRA treasurer, whose sole function at present is to sign checks, and the Recreation Officer who is in fact carrying out his duties as a member of the Office of Personnel. Funds for recreational purposes, except for expenses actually borne by employees who participate in specific activities, are approved by the Welfare Board and paid over to the treasurer. PRA accounts are maintained by the Recreation Officer.